Agencies, legislators address West Nile fight

May 8th, 2003

By William New

National Journal's Technology Daily

Both Republican and Democratic members of a House subcommittee on Thursday raised various concerns about the U.S. trade agreements with Singapore and Chile that the Bush administration plans to send to Congress later this year.

But at the hearing of the House Energy and Commerce Subcommittee on Commerce, Trade and Consumer Protection, administration officials and technology industry representatives held fast to their strong support for the agreements.

Committee chairman Cliff Stearns, R-Fla., and Democrat Edward Markey of Massachusetts, ranking Democrat on the Telecommunications and the Internet Subcommittee, raised concerns about Singaporean corporations that are majority government-owned being able to compete in the United States. Ralph Ives, the assistant U.S. trade representative for Asia-Pacific affairs and lead negotiator to Singapore, acknowledged that they could compete but said that in the telecommunications chapter of the deal, the Singaporean government agreed not to interfere with company operations and to privatize the nation's telecom industry over time.

Markey also sent a letter to President Bush on Thursday calling for adherence to World Health Organization guidelines to be obligatory for members of the World Trade Organization (WTO). He cited the negative impact on regional and global trade of China's cover-up of the presence of severe acute respiratory syndrome (SARS), and called for the United States to raise the issue at the September WTO ministerial.

Regina Vargo, the assistant U.S. trade representative for the Americas and lead negotiator to Chile, said that while the administration was disappointed with Chile's failure to support the United States in the war against Iraq, the trade deal between the United States and Chile is moving forward. Michelle O'Neill, the deputy assistant Commerce secretary for information

technology industries, touted the benefit of both agreements to the U.S. high-tech industry. And officials with the Business Software Alliance, Software and Information Industry Association, Electronic Industries Alliance, National Association of Manufacturers, U.S. Chamber of Commerce and Coalition of Service Industries seconded that view.

Friends of the Earth and the AFL-CIO raised questions about the pacts, citing issues such as the effect investment provisions could have on labor and environmental laws. Several lawmakers raised concerns about the possible creation of "sweatshops" on two Malaysian islands near Singapore included in the agreement but not subject to the same labor standards.

Janice Schakowsky, D-III., questioned the benefit of the deals to U.S. workers and countered lives' claim that 30 of 31 advisory committees favored the agreements.

Others raised concern about a lack of enforcement of existing agreements and the length of time it takes for international dispute settlement. Rep. C.L. Otter, R-Idaho, strongly criticized the time it has taken to address South Korea's subsidization of the semiconductor firm Hynix.

Michigan Republican Fred Upton, chairman of the subcommittee on Telecommunications and the Internet Subcommittee, said he would "look closely" at the agreement to ensure that U.S. businesses are not disadvantaged in e-commerce and to ensure that domestic telecom policy still has necessary "wiggle room" for future change.